

## TUESDAY CONVERSATION: TRANSPORTATION

Battle lines are being drawn over an attempt to eliminate Georgia's \$5,000 tax credit for electric vehicles. An Alpharetta Republican is re-introducing legislation this year to phase out the credit, one of the most generous in the country. Today, he explains the rationale for his bill in an exclusive column for the AJC. But EV supporters say removal of the credit, used primarily by buyers of the Nissan Leaf, could take the steam out of the electric-car market here. A Nissan Leaf driver and member of the Georgia Public Service Commission outlines why he believes it's a bad idea to kill the credit.

GUEST COLUMN

# Keep Georgia's EV tax credit in place

By Tim Echols

Georgia is second only to California in electric vehicles, but if we are not careful, that silver medal is about to be ripped from our necks.

Legislators led by Rep. Chuck Martin, R-Alpharetta, believe Georgia's \$5,000-per-vehicle state tax credit is simply too generous. In the 2014 General Assembly, Martin's bill to drastically cut the tax credit for these cars passed the House of Representatives only to die in the Senate on the session's last day.

Rep. Martin plans to reintroduce a "kinder and gentler" version of his bill this year. After all, he says, the state has granted about \$22 million in credits to Georgia taxpayers who have purchased or leased these cars.

Meanwhile, Atlanta has become the No. 1 market for Nissan's LEAF — the company's compact electric car. Besides Nissan and the consumers who get the credit, Georgia benefits in several ways:

**Benefit No. 1 — Pure electric vehicles leave money in the state.** According to the Georgia Department of Economic Development, for every 1 percent of petroleum-based miles displaced by electric vehicles in Georgia, approximately \$201 million remain in the state annually. Each pure electric vehicle keeps \$2,242 a year in state by fueling with electricity rather than petroleum-based products. For a state without a single oil well or refinery, this is huge.

**Benefit No. 2 — The tax credit is spent in Georgia.** Remember, the person who buys or leases one of these cars takes some risks because an electric car has many limitations; I know this from personal experience. The tax credit has been an effective incentive at getting Georgians to take the chance. And when they get that \$5,000 back after filing their tax returns, they often spend it on consumer goods, home improvement projects, a vacation or college tuition, or they just put the money in the bank for a rainy day. Folks spending money helps local businesses.

**Benefit No. 3 — Metro Atlanta air quality is improved.** The annual emis-



Peter H. Marte, CEO of Hannah Solar, checks out an electric vehicle charging station at the Hannah Solar headquarters in Atlanta. Atlanta has become the No. 1 market for Nissan's LEAF — the company's compact electric car. HYOSUB SHIN / HSHIN@AJC.COM



Tim Echols serves on the Georgia Public Service Commission and leases a Nissan LEAF.

sions test your car or truck undergoes makes sure your pollution controls work to specifications. Electric vehicles have no tailpipe and, therefore, zero emissions. Yes, they may derive their power from coal or natural gas — whatever power plant is generating the electricity. Even then, for a traditional gasoline car to pollute less than what it took to power that EV in Georgia, one would have to average 46 miles per gallon, according to a study by the Union of Con-

cerned Scientists. In the Pacific Northwest, gas cars would need to average a whopping 73 mpg to equal the electric vehicle.

**Benefit No. 4 — Electricity use is reduced.** A Georgia Power study shows people who have electric cars lower their overall energy bills despite using electricity to charge their cars. The power company has a special rate to encourage people to get electric vehicles and charge them overnight — when power is cheap and plentiful. According to a study of 1,000 of these Georgia electric car owners, the program is working. These customers reduced their annual electric bills by \$180 each — even though they charged their cars and didn't buy gasoline for the entire year. By shifting when they used their energy, they helped

lower peak demand and saved all of us money. So not only are electric cars not producing any greenhouse gases, entire households are cutting their energy usage and saving dollars. That energy-efficiency saving is being "purchased" now through the tax credit given to electric car owners.

**Benefit No. 5 — Electric cars are a millennial magnet.** As I sat recently with Mayor Kasim Reed discussing Atlanta's success with electric cars, I asked him what he thought was the greatest benefit of the tax credit. He didn't hesitate. He said it has sent a strong message to millennials about our priorities. "Millennials care about the environment — an essential characteristic for our city," Reed said. The state's investment in electric vehicles, he said, makes Atlanta a more livable city

where people and companies increasingly want to be.

Our current credit benefits only pure electric cars, but voices throughout the state are urging lawmakers to include plug-in hybrid electric vehicles as well, covering versions of the Ford CMAX and Toyota Prius and even the Porsche Panamera. This would enable Georgia to move to a larger selection of electric vehicles, since plug-in hybrids permit both extended-range-battery electric driving and inter-city travel while significantly helping to reduce CO<sub>2</sub> and other emissions.

Maybe with a little luck, we can take away California's dominance in the EV market the same way we have been luring movie makers to the Peach State.